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BEFORE THE ARIZONA CORPORATION COMMISSION
AZ CORP COMMISSION
DOCKET CONTROL

IN THE MATTER OF THE APPLICATION
OF PAYSON WATER CO., INC., AN
ARIZONA CORPORATION, FOR A
DETERMINATION OF THE FAIR VALUE
OF ITS UTILITY PLANTS AND
PROPERTY AND FOR INCREASES IN ITS
WATER RATES AND CHARGES FOR
UTILITY SERVICE BASED THEREON.

DOCKET NO: W-03514A-13-0111

Arizona Corporation Commission

DOCKETED

MAR 21 2014

DOCKETED BY

IN THE MATTER OF THE APPLICATION
OF PAYSON WATER CO., INC., AN
ARIZONA CORPORATION, FOR
AUTHORITY TO: (1) ISSUE EVIDENCE
OF INDEBTEDNESS IN AN AMOUNT
NOT TO EXCEED \$1,238,000 IN
CONNECTION WITH INFRASTRUCTURE
IMPROVEMENTS TO THE UTILITY
SYSTEM; AND (2) ENCUMBER REAL
PROPERTY AND PLANT AS SECURITY
FOR SUCH INDEBTEDNESS.

DOCKET NO: W-03514A-13-0142

ORIGINAL

INTERVENOR FINAL CLOSING BRIEF
03/21/14**Opening Comments**

I find it interesting that on pg. 19 of Payson Water Company's Initial Closing Brief, that PWC's Attorney, Mr. Shapiro, on lines 4-6, "To say the least, these illusory claims, in whole and in part, do not justify denial of necessary and reasonable rate relief for PWC. These claims are not supported by substantial or competent evidence." The data that I used in my Exhibits are taken directly from Payson Water Company's Annual Reports or their Testimony submitted in this case. I agree the Company has not provided substantial nor competent evidence and the Commissioners should take this into consideration in not granting the proposed rate increase.

The Company's own records showed that Miscellaneous Expenses increased 600% over the period since the last rate increase. I do not believe that this increase is either normal or prudent. (SN Exhibit 5.)

I am not a lawyer, but I believe there is a legal term for providing misleading and false evidence to make your case where you can financially benefit from it. I believe there is evidence of perjury in this case.

1 Staff lawyer, Ms. Robin Mitchell, sat in cross examination where she heard Mr. Williamson testify that
2 he did not know why water had to be hauled and charged to Mesa Del Caballo customers in 2012 for
3 months when the water pumped was greater than the water hauled.

4 Mr. Del Smith, Engineering Supervisor, also when testifying for Mr. Jian Liu, could not answer why water
5 had to be hauled and charged to MdC customers in 2012, when water pumped was greater than water
6 sold.

7 I believe that both Ms. Mitchell and Mr. Smith are aware of these glaring inconsistencies in the
8 Company's reports. Why do they continue to ignore this significant evidence? Isn't this aiding and
9 abetting a possible criminal activity? Unfairly taking away property from the Mesa Del Caballo
10 customers, I believe is a crime.

11 Record & Numbers Agree

12 Ms Reidhead, KMR, and I did not know each other before this case began. We have both spent so much
13 of our own money that we each could have prepaid our water bills with the rate increases for the next
14 several years. But we believe in something more important than money. We believe in the principles of
15 justice, equity, and fairness. Neither of us could sleep at night (hence the extensive research) because
16 the impact it will have on the neighbors in our communities. We believe in the laws of "Love your
17 neighbor as yourself." and "Do unto others as you would have them do unto you."

18 KMR did the research from public records on the story of what has transpired since approximately 2007.
19 I looked at the financial records. Put them next to each other and they line up perfectly. For the seven
20 years from 2001 to 2007, PWC average only \$2,399 per year on Repairs and Maintenance for the nine
21 communities. [See SN Exhibit 5, $(0 + 144 + 98 + 0 + 16,552 + 0 + 0)/7 = \$2,399$] From 2008 to 2012, they
22 have averaged \$19,783 per year. [SN Exhibit 5, $(12,273 + 20,684 + 15,492 + 22,692 + 27,774)/5 =$
23 $\$19,783$].

24 In 2008, the Company started to show on its Annual Reports this 8X as much spending on Repairs &
25 Maintenance. These are the numbers from the Company's Annual Reports. The only illusion here is by
26 the Company. Where did this \$19,783 per year go? We heard in this case, customer after customer
27 comment they have seen no or little improvement in their water infrastructure for the past several
28 years/decaades. And the Company is well aware that the ACC does not do a thorough audit on a Class C
29 water utility nor look further back than a "year-to- year" comparison, even when such glaring increases
30 to the Company's financial have occurred to support their arguments in this case.

31 Consequences

32 The proposed rate will have dire consequences on many of our neighbors in these rural communities.
33 Many may lose their homes. In addition, the financial stress can lead to emotional and physical stress
34 when parents are not able to provide for the basic needs of their families.

35 Mr. Shapiro may say that this is conjecture, not based on fact, but it is the truth. We have already lost
36 one Intervenor, Mr. Burt of Mesa Del Caballo, very recently. Mr. Burt was a decorated war veteran. He

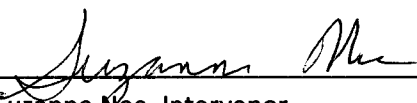
1 may have had pre-existing conditions, but we all know the financial and emotional stress this Company
2 has put on Mr. Burt and many other retired folks just like him.

3 My health too has been affected by this rate case. In February, 2014, I developed a cough. After
4 approximately 3 weeks it did not go away, so I went to my doctor. She put me on a 10-day antibiotic.
5 She said come back in 10 days if the cough was not gone; she had seen Valley Fever in two otherwise
6 healthy, young patients. My cough did not go away in 10 days. So my doctor ordered a lung x-ray. This
7 x-ray showed possible pneumonia. So she sent me for a C-T scan. This C-T scan taken March 11, 2014,
8 the day after our initial briefs were due, showed a 4.2 mm nodule on my left lung and "scalloped ribs."
9 Exhibit A- Results of SN's C-T scan. I have never smoked. I have always been an athlete who exercises
10 regularly and maintains a healthy diet. My doctor then ordered a nuclear scan. Fortunately, that did
11 not show anything worse. I have no doubt that my lack of sleep due to worrying about the people that
12 will be affected by this proposed rate increase contributed to this condition that has just appeared.
13 There is medical evidence that stress is a contributing factor to illness.

14 Judge Nodes and Commissioners, please consider the entire picture, not just the Test Year and two
15 years prior worth of financial data when you are making your decision. Has PW Company's level of
16 expense been normal or prudent from 2008-2012 when it increased so dramatically? I ask that the ACC
17 does not recommend the rate increase and does contact the Attorney General's office and cooperate
18 with a criminal investigation into PW Company's practices under present (JW Water Holdings, LLC) and
19 past management (Brooke Utilities, Inc.).

20 I wish you all peace and hope you can sleep with the decisions you make.

21
22 Respectfully submitted this 21st day of March 2014.

23
24
25 By 
26 Suzanne Nee, Intervenor
27 2051 E. Aspen Drive
28 Tempe, AZ 85282
29

30
31 **ORIGINAL** and thirteen (13) copies
32 of the foregoing were filed this 21st
33 day of March, 2014 with:

34
35 Docket Control
36 Arizona Corporation Commission
37 1200 W. Washington Street
38 Phoenix, AZ 85007
39

40 **COPY** of the foregoing was mailed

1 this 10th day of March, 2014 to:

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12

Exhibit A

13

14

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3156298

SimonMed Imaging

Department of Radiology

Nee, Suzanne

MRN 331631PDI

DOB: 12/6/1960

Sex: F

Ordering MD: Austin, Linda L

Referring MD: Austin, Linda L

Attending MD:

Consulting MD:

Austin, Linda L

CT of abdomen & pelvis in 2006, which included @ lower lung. showed no nodule.

Study Date: 3/11/2014
Accession #: 7409712

Procedure Code: 1087

Location: CT-Phoenix

Procedure: CHEST W/O CONTRAST

Reason for Study: ct chest

*** Final Report ***

INDICATION: Lung nodule.

COMPARISON: 3/5/2014

TECHNIQUE: CT scan of the chest was performed without contrast. 2-D reformats were performed.

FINDINGS

Noncalcified 4.2 mm nodule, the left lung base. Areas of associated linear scarring and fibrosis are seen in the left lung base with mild posterior pleural thickening. Indeterminant scalloping of the posterior ribs on the left. Followup nuclear medicine bone scan is recommended for further evaluation. Remaining lung fields are essentially clear.

Remaining mediastinal structures, pericardium, axillary and supraclavicular regions are otherwise within normal limits. Visualized portions of the upper abdomen appear within normal limits.

IMPRESSION

Chronic changes the left lung base as described with noncalcified nodule. Followup as indicated here. See a lung specialist to review. Indeterminant scalloping of the posterior ribs on the left. Followup nuclear medicine bone scan is recommended for further evaluation.

Society of Thoracic Radiology recommendations for follow up of pulmonary nodules.

Low-Risk Patient

4 mm or less: no follow-up needed

4.6 mm: Followup CT at 12 months, if unchanged, no further followup

6-8 mm: Initial followup CT at 6-12 months, then at 18-24 months if unchanged

Greater than 8 mm: Followup CT at around 3, 9, and 24 months, or dynamic contrast enhanced CT, PET and/or biopsy

High-Risk Patient

4 mm or less: Followup CT at 12 months, if unchanged, no further followup

4.6 mm: Followup at 6-12 months and 18-24 months if unchanged

6-8 mm: Initial followup at 3-6 months, then 9-12 months and 24 months if unchanged

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MRO Crystal Report

Page 1 of 2

*3-11-2014
Spoke to Suzanne:
Despite decreased breath sounds today, no evidence of pleural effusion. Non-calcified nodule in @ lower lobe. I will order (get auth) for nuclear bone scan next week to rule out any kind of bone invasion.*

Pneumonic texts will be available in 1 wk. We discussed having her see a lung specialist to review. All of this sometime in the next month.

Scan copy of report to Suzanne 3-12-2014

LL 3-11-2014